

A REGIONAL COMPARISON OF THE UNIFIED SCHOOL DISTRICTS  
OF KANSAS BY THE CRITERIA OF THE FOUNDATION  
FINANCE PLAN FOR 1966-1967

by 142

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## INTRODUCTION

One of the major problems facing education in the United States today is that of public school finance. Some historians have given the free public school system credit for helping this country survive and flourish longer than any other democracy or republic. The way in which the schools are financed has been an evolutionary process taking over three hundred years to develop and is unique in the history of the world. It may be no exaggeration to say that the future of our society may depend on how well we solve the problems of school finance during the last half of the Twentieth Century.

### I. THE PROBLEM

Statement of the problem. It was the purpose of this study (1) to trace the history of state support of education in the United States in general and Kansas in particular; (2) to compare the Kansas foundation finance plan with trends in other states; (3) to divide the unified districts into six geographical regions and then compare the regions by (a) sources of revenue, (b) assessed valuation and valuation per pupil, (c) "Criteria of Quality," (d) pupil-teacher ratio, and (e) economic ability.

Importance of the study. Kansas has recently undergone unification of school districts and the establishment of a foundation finance plan. Because of the avalanche of criticism against the foundation program it was deemed desirable to make a comparison of revenue sources and certain criteria of the 1965 Kansas foundation finance plan as it affected the unified school districts.

Limitations of the study. The study was limited to the 307 Unified

School Districts of Kansas which were operating on September 15, 1966. This number includes the County of Greeley, which functions as a unified district, but was organized by special legislation. The study was based on the fiscal year of July 1, 1966, to June 30, 1967.

Sources of data. Information for the review of literature was obtained from the Francis David Farrell Library at Kansas State University, Manhattan, Kansas, and the Library of the Kansas State Historical Society, Topeka, Kansas. The data found in the report were procured from the Statistical Services Section of the Kansas State Department of Public Instruction, Topeka, Kansas.

Methods of procedure and treatment of data. The procedure called for gathering of data from the Budget and Financial Statement filed by each board of education with the State Superintendent of Public Instruction. Information was also collected from the I.B.M. listing of data used to calculate each school district's entitlement of State Aid for the 1966-1967 school year.

For the purpose of this status report Kansas was divided into six geographic regions along county lines. An examination of materials for some division of unified districts along regional or area lines was made in the Department of Public Instruction. Since no division could be found the state was divided into similar regions on the basis of assessed valuation in order to have a geographical point of reference. The data were then compiled according to region and compared in the report.

## II. DEFINITIONS OF TERMS USED

Unified School District. Unified school districts are those which were



organized under the Unification Law of 1963. A unified district must have an enrollment of 400 students in grades 1 through 12, or no less than 200 square miles of territory, and an assessed valuation of \$2,000,000. It must operate grades 1 through 12, with an offering of 30 units of study in grades 9 through 12.

Foundation finance plan. The state foundation finance plan is a scheme which provides the state schools with a minimum program of services and facilities. The financing of this program is guaranteed by the state, but any community may build upon this foundation. A foundation plan may be financed entirely from state funds, but more commonly, as in Kansas, by a combination of local, state and federal funds.

Criteria of Quality. In Kansas, each school district's state shared guarantee under the foundation program is determined by its "Criteria of Quality." The district's CQ (Criteria of Quality) is based on the number of certificated employees and on their hours of college training and experience. Not over 210 college hours of training and 15 years of experience can be counted for any one employee in determining the district's CQ. The total college hours are divided by 30, then the years of experience are multiplied by .2, the sum of this figure is then divided by the number of employees to find the district's CQ. The maximum CQ which a district could have is 10.00, and this could happen only if the allowable training and experience credits of its employees averaged 210 hours and 15 years, respectively.

## REVIEW OF THE LITERATURE

I. DEVELOPMENT OF STATE SUPPORT OF  
EDUCATION IN THE UNITED STATES

State support of education in the early colonies grew from practices in England and Europe. The early colonial schools varied in accordance with the country of origin of the colonist and the economic development of the colony. In Europe the church was usually responsible for the establishment of schools. Dutch schools patterned after schools in Holland were established and Roman Catholic parochial schools were set up in Maryland. The Anglicans in the southern colonies favored private schools for the wealthy and parish "pauper schools" for the poor, which was the established practice in England.

Two of the earliest provisions for central governmental support for the costs of education, according to William M. Barr, can be found in the Colony of Virginia. Barr states, "In 1619 the English Crown gave five hundred pounds to the London Company as support for the education of orphan children sent to Virginia from London," and "The Assembly in Jamestown in 1646, provided for the apprentice training at public expense of two children of poor parents."<sup>1</sup>

The early private and parochial schools were largely supported by tuition, private contributions, and churches or societies formed for the purpose of sponsoring a particular school. It was in the New England colonies that taxation for schools and compulsory education was established.<sup>2</sup>

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<sup>1</sup>William M. Barr, *American Public School Finance* (New York: American Book Company, 1960), p. 29.

<sup>2</sup>Ibid., pp. 24-5.



This early taxation took the form of liquor licenses, theater licenses, and state lotteries. About 1825 a tax on bank earnings became a favorite source of income. According to Cubberley, this type of indirect taxation was valuable in "accustoming the people to the idea of public schools without appearing to tax them for their support."<sup>3</sup>

The American War for Independence had a disastrous effect on all types of schools. The growing troubles with England concentrated the attention of the colonists on matters other than schooling. Political discussion and agitation dominated thinking for a decade before the opening of hostilities and then during the conflict schooling came to a halt. By the close of the war the country was both impoverished and exhausted. Many of the Colonies had been overrun by hostile armies, and the debt of the Union and the States was so great that many thought it could never be paid. It is only natural that little or no attention was given to the question of education.

Under the Articles of Confederation is found the first example of governmental aid for education in the United States. The Land Ordinance of 1785 reserved public lands in the Northwest Territory for school support. Every public--land--state admitted prior to California, in 1850, received from the national government land to be used for the support of public schools. Section 16 in each congressional township was set aside for school support. California and every subsequently admitted state except Utah, Arizona, and New Mexico received sections 16 and 36. Utah, Arizona, and New Mexico received sections 2 and 32 as well as 16 and 36. In place of land grants, Congress appropriated \$5,000,000 for the permanent public school fund of

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<sup>3</sup>Ellwood P. Cubberley, The History of Education (Cambridge: Houghton Mifflin Company, 1948), pp. 676-7.

Oklahoma because much of the land in that state belonged to members of Indian Tribes.<sup>4</sup>

When the Constitution was written, the convention made no mention of a national system of education. Thus, each state was left to organize its own schools and support them at whatever level it saw fit. With politics and economic upheaval dominating thoughts of Americans, educational interest declined through the first fifty years of the national history. Cubberley feels this decline was due to the drain placed on the money and resources of the American people by the Revolutionary War and the War of 1812-14.<sup>5</sup>

The election of Andrew Jackson and the movement for a more democratic society also brought a demand for equality of educational opportunity. The Jacksonian Democrats were resolved to create a common school for rich and poor and this should be done by the states. Harry G. Good points up this movement by the statement "By the 1830's the private school traditions were giving ground to the public school movement."<sup>6</sup>

With the new democratic awakening the shape of public education began to appear. It was during the late 1830's and 40's that legislatures began to provide money for the support of public education and not just incentive money for local districts. Some of the outstanding men in education who helped to make the 1840's a decade of development of public education were Horace Mann, Henry Barnard, Caleb Mills, and John Pierce.<sup>7</sup>

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<sup>4</sup>Fletcher H. Swift, Federal and State Policies in Public School Finance in the United States (New York: Ginn and Company, 1931), pp. 6-7.

<sup>5</sup>Cubberley, op. cit., p. 677.

<sup>6</sup>Harry G. Good, A History of American Education (New York: The MacMillan Company, 1962), p. 134.

<sup>7</sup>Paul R. Mort, Walter C. Reusser, and John W. Polley, Public School Finance (New York: McGraw-Hill Book Company, Inc., 1960), pp. 195-6.



During the 1850's and 60's the attention of the American people was given to the problems of the war between the states. As during other periods of political strife, education suffered because of lack of interest. It wasn't until the reconstruction of the south was complete that the people of the states turned their energies toward the problems of public schools.

Of great importance to the cause for tax supported schools was the Kalamazoo Case of 1872. This Michigan State Supreme Court decision established the precedent for taxing all citizens of a district to pay for the education of all children of school age.<sup>8</sup> By 1875 most states had established common schools, and by 1900 most states had added high schools to tax-supported elementary schools.

Tax supported public education was an accomplished policy in all the states by 1890. One-fourth of the states, at this time, were providing more than half of the costs of financing public education.<sup>9</sup> The number of states which supported education at this fifty percent level would rise and fall as the United States experienced times of expansion, inflation, depression, and prosperity.

The legalization of the income tax has had a significant effect on the financing of public schools. By 1919 the state of Massachusetts recognized the necessity of placing upon the state a much larger share of school costs. The legislature of Massachusetts earmarked a portion of the proceeds raised by the state income tax as an annual current fund to be known as the general

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<sup>8</sup>Stayner Brighton, Financing Public Schools, Committee on Educational Finance (Washington, D.C.: National Education Association, 1965), p. 25.

<sup>9</sup>Mort, Reusser, and Polley, op. cit., p. 196.

school fund. Fletcher H. Swift states that this was a recognition:

(1) That the state must assume a much larger share of the responsibility for equalizing school burdens and educational opportunities than in the past; (2) that this would necessitate the state's providing a much larger share of the total school revenue than formerly; (3) that former sources of revenue were inadequate and that new sources must be found; (4) that a graduated state tax on personal incomes is an important and valid source of public school revenue.<sup>10</sup>

After the First World War taxation and legislative appropriations for educational purposes gained in importance and taxes for schools gradually increased. This was caused, in part, by a large increase in the school population, economic inflation, and interest in establishing high schools.

State aid to public education increased two and one-half times during the period of 1915 to 1930, but local support increased at an even greater rate. This rapid increase in local support resulted in a lower percentage level of state support. By 1930 only one state was providing for more than half of the cost of public education.<sup>11</sup> It is also during this period that old types of taxation for schools began to give way to new types throughout the country. The new types of taxation included income tax, inheritance tax, severance tax, and taxes placed on stocks in corporations.<sup>12</sup>

Since the early years of the depression of the 1930's both schools and civil local governments were granted tax sources in addition to property tax, because the property tax could not be paid in some areas of the nation. The result was a new concept of state and local sharing of school expenditures.

<sup>10</sup>Swift, op. cit., p. 116.

<sup>11</sup>Mort, Reusser, and Polley, op. cit., p. 198-9.

<sup>12</sup>Edgar W. Knight, Fifty Years of American Education, 1900-1950 (New York: The Ronald Press Company, 1952), p. 320.



Lee M. Thurston and William H. Roe emphasize the importance of the depression upon school finance with this statement, "The year 1930 may be taken as the turning point of the movement to achieve a new balance between local and state support of the public schools."<sup>13</sup> Thus, it has been only within the twentieth century that scientific attention was turned to the analysis of methods of apportionment of state school funds and to developing methods which would produce desired results.

Because of the turbulence of the first half of this century, World War I, boom years of the 20's, the depression of the 30's, World War II, and the Korean conflict, the tax bases of many local school districts were not adequate, at least fiscally to meet the demands. Most states passed various equalization measures to help the local districts finance public schools. Equalization was a new concept of the fundamental purpose of state aid. States attempting to even out local inequalities in school revenues and educational opportunities attempted to establish funds based on consideration of differences in ability and in need.

Colorado was one of the first states to pass legislation which provided funds for equalization purposes. In 1913 Colorado created a fund which paid to districts unable to derive from all other state, county, and district revenues a sum sufficient to pay each teacher \$50 per month for six months.<sup>14</sup>

The variety of types of equalization passed by the states resulted in a sort of piecemeal building of state aid to local districts. Some equalization

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<sup>13</sup>Lee M. Thurston and William H. Roe, State School Administration (New York: Harper & Brothers, Publishers, 1957), pp. 139-40.

<sup>14</sup>Swift, op. cit., p. 200.

plans merely added to old plans, others lacked a comprehension of how it would affect old laws and still other equalization plans had a negative effect as far as improvement of education was concerned. "It soon became obvious that incentive payments, financial rewards for effort, and equalization could not be adhered to," wrote Barr, "since incentives and rewards, which inevitably gravitate toward the fiscally able units, tend to decrease equalization."<sup>15</sup>

Out of the equalization plans came the best plan yet devised for state aid to education, that is the foundation program. Mort defines a foundation program as "...a minimum level of education below which no community is permitted to go, but on to which any community may build."<sup>16</sup>

Behind the details of every minimum foundation program lie certain concepts about educational opportunity: every child in the state should have a relatively equal basic education opportunity regardless of whether he should live in a wealthy area or a poor district; the foundation program should be supported on the partnership principle with each district and the state sharing equitably the responsibility; the state should establish objective procedures to determine educational needs; in each local district enough leeway above the local required effort exists to develop the kind of educational program it desires; one fund or program in which all districts would participate in accordance with need; and a broadened tax base by providing additional funds from state as contrasted with local property tax sources.

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<sup>15</sup>Barr, op. cit., p. 353.

<sup>16</sup>Paul R. Mort, Federal Support For Public Education (New York: Teachers College, Columbia University, 1936), p. 18.



The pioneer state in developing a foundation program was New York.<sup>17</sup> Since the New York program was established, most of the other states developed a type of equalization foundation program. The various types of foundation plans in the states provided a wide range of services. In some states only special equalization funds were provided for teacher salaries and at the other extreme were plans developed to provide for all essential services.

Important as foundation formulas have been to the development of state aid, the programs have not been without inequities. Some of the inequities of foundation programs result because the formula is not flexible and does not provide for changes in enrollments, local taxpaying ability, and costs. Some school men feel that the foundation programs may have become a depressant upon public spending for education.<sup>18</sup>

Jesse Burkhead says, "In recent years particularly, schoolmen have argued that the very establishment of a foundation program has the psychological effect of making local school districts satisfied with a minimum effort."<sup>19</sup>

Today the pattern is well established. That is, support for public schools is an accepted responsibility of the state. In the 1964-65 school year state governments provided 40 percent of the total school revenue for the fifty states and the District of Columbia.<sup>20</sup> Local districts today

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<sup>17</sup>Edgar L. Morphet, "Characteristics of State Support Programs," Problems and Issues in Public School Finance, Roe L. Johns and Edgar L. Morphet, editors. National Conference of Professors of Educational Administration (New York: Teachers College - Columbia University, 1952), p. 173.

<sup>18</sup>Jesse Burkhead, Public School Finance Economics and Politics (New York: Syracuse University Press, 1964), p. 102.

<sup>19</sup>Ibid.

<sup>20</sup>Stayner Brighton, Financing Public Schools, Committee on Educational Finance (Washington, D.C.: National Education Association, 1965), p. 43.

organize and operate school programs, but the states set minimum educational standards and establish a minimum level of financial support through shared financing.

## II. DEVELOPMENT OF FINANCIAL SUPPORT OF EDUCATION IN KANSAS

The territorial period of Kansas, 1854 to 1861, offered little opportunity for the establishment of a stable and permanent system of public schools. It was during this time, when the political issues leading to the civil war dominated the thought of Kansans, that the school system was developing. The lack of school houses caused a problem which was occasionally solved by community effort using volunteer labor or more often holding class in a parent's home. Most of the early territorial schools that developed were financed by subscriptions. The subscription rate was usually a fee of one dollar a month for each child attending the school.<sup>21</sup>

Under such conditions each community was left to its own devices to organize school districts. The systems that did develop were separate and distinct from all other school organizations of the territory. Thus, the schools of Kansas are the outgrowth of the peculiar experiences of the state, rather than an organized and planned system. The systems adopted by each community could not easily be obliterated by acts of legislation. Many of the current school problems have their origin in this fact.

Kansas was admitted into the Union, January 29, 1861, and along with the

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<sup>21</sup>George Frey, "A Century of Education in Kansas," Kansas, The First Century, Vol. II, John D. Bright, editor (New York: Lewis Historical Publishing Company, Inc., 1956), p. 208.



other states was taxed to its capacity to help finance the war. Consequently, private schools sprang up all over the territory, and beside these there grew up free schools. George Frey believes a majority of the settlers desired free schools and did what they could to provide them, but against free schools were the lack of good teachers, money, time, and leadership.<sup>22</sup> As a result, the educational interests of the state suffered.

The framers of the Wyandotte Constitution, under which Kansas gained admittance to the Union, conceived of a state system of common schools, organized, supervised, and maintained by the state. The constitution provided for a state superintendent, who would have general supervision of the common school funds, and for an elected county superintendent in each county. Provisions were made for financing public education by the creation of the State Permanent School Fund.<sup>23</sup>

The basis of the permanent school fund is the congressional land grant of sections 16 and 36 in every township. The proceeds from the sale of this land, and all proceeds from sale of estates of persons dying without heir or will, together with the rents of state lands were not to be diminished, but the interest of which were appropriated for the support of the common schools.<sup>24</sup>

The constitution failed to suggest any unit of organization for school

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<sup>22</sup>Ibid., p. 209.

<sup>23</sup>The School of Tomorrow For Kansas (A Progress Report of The Educational Planning Commission. Topeka, Kans.: Kansas State Teachers Association, May, 1964), pp. 1-2.

<sup>24</sup>Clyde L. King, "The Kansas School System--Its History and Tendencies," Collections of The Kansas State Historical Society, 1909-1910, Vol. XI, Geo. W. Martin, editor (Topeka: State Printing Office, 1910), p. 451.

districts. But the territorial legislature of 1858, gave the county superintendent the power to create districts in the county and to regulate and alter such districts.<sup>25</sup>

The financing of the early Kansas schools was a local-state affair. Local property taxes were supplemented by the income from the State Permanent School Fund and a state-wide tax of one mill. However the one mill tax was annulled in 1879, probably because the more wealthy eastern counties did not want to help support education in the poorer west and also because of pressure put on the legislature by the railroad interests.<sup>26</sup>

By this action, annulment of the one mill levy in 1879, financial state support of public schools in Kansas was substantially lost until the sales tax was enacted in 1937, and part of the return was used for the schools. Mr. C. O. Wright has this comment about the repeal of the one mill levy:

The tragedy of 1879 was indeed a calamity in more ways than one. It spelled the death knell for any concept of shared state responsibility. It started Kansas on the way to a provincial, narrow, local approach to schools that retarded education, even to 1963. The tragedy of 1879 inaugurated the prolonged dry spell in Kansas education that lasted more than a generation.<sup>27</sup>

During the next forty-two years nearly all the financial support for Kansas schools came from local district taxes. The only nondistrict monies available for public education came from the state annual school fund, the county school fund, and money from state and federal vocational education

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<sup>25</sup>Ibid., p. 425.

<sup>26</sup>The School of Tomorrow For Kansas (A Progress Report of the Educational Planning Commission. Topeka, Kans: Kansas State Teachers Association, May, 1964), p. 7.

<sup>27</sup>C. O. Wright, 100 Years in Kansas Education (Topeka, Kans.: The Kansas State Teachers Association, 1964), p. 66.



funds. These revenues provided for less than 5 per cent of the total amount spent for public schools.<sup>28</sup>

The first elementary aid law, passed in 1937, provided that the state pay the difference between \$675 in one-teacher districts, and \$27 per pupil in graded elementary schools, and the amount which the district could raise by a three mill levy on the assessed valuation of the district.<sup>29</sup> With the passage of this act Kansas changed from a system of local responsibility to a joint enterprise shared by the federal government, the state, the county, and the local district. This marked the first step Kansas made in the direction of a foundation type of state aid program.

The state sales tax, compensating use tax, and cereal malt beverage and products tax were enacted by the 1937 legislature to finance the first elementary school aid law, and the state's social welfare program. The receipts from these taxes were credited to a fund called the retail sales tax fund. The residue of this fund, after allocations for schools and welfare, was distributed back to the counties on the basis of population and valuation. The counties in turn redistributed this money to all taxing units, including schools, to reduce local property tax levies.

The amount of money available to schools under this provision varied a great deal and was uncertain. County commissioners were authorized to use the residue for social welfare purposes in counties where the mill levy for social welfare was at least three mills. By the early 1940's the amount of the residue began to increase rapidly, and by 1946 it was nearly \$14,000,000.

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<sup>28</sup>Adel F. Throckmorton, The Development of Federal, State and County Finance Programs For Kansas Schools, Statistical Services Section, State Department of Public Instruction, May, 1962 (Topeka: State Printer, 1962), p. 5.

<sup>29</sup>Ibid., p. 6.

Because revenues were needed for financing new and other expanded programs, the 1947 legislature froze the amount at \$12,500,000 and transferred the unappropriated sales tax to its general fund. Adel F. Throckmorton has estimated that "\$7,000,000 of the \$12,500,000 was used to reduce the property tax levies of school districts."<sup>30</sup>

The depression of the 30's and then the boom years of the early 40's affected school finance in Kansas two ways. First the depression years resulted in a decline in the birth rate and then many people left the farms of the state in search of better opportunities. Second, the financial recovery brought on by World War II increased the value of farm land. The result was a decline in school enrollment and an increase in assessed valuation. In turn, state aid declined from \$12,113,993 in 1937 to \$1,200,681 in 1945.<sup>31</sup> The legislature attempted to change the law but the results were disappointing because only a little over one half the money appropriated was distributed to schools.

To avoid a crisis in school financial affairs, the 1947 legislature passed two temporary laws. One was a revision of the first elementary aid law, and the other was a County Elementary School Levy Law of two mills which distributed funds to all school districts with enrollment of ten or more pupils. These laws distributed a total of \$6,203,182 to the schools in the 1947-48 school year.<sup>32</sup>

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<sup>30</sup>Ibid., p. 7.

<sup>31</sup>Ibid., p. 6.

<sup>32</sup>The School of Tomorrow For Kansas (A Progress Report of The Educational Planning Commission. Topeka, Kans.: Kansas State Teachers Association, May, 1964), p. 8.



Faced with the expiration of the County Elementary Levy, and State Aid and State Support Laws on July 1, 1949, the 1949 legislature enacted a new elementary school finance law. The law provided for the distribution of money on a classroom unit basis, with the number of pupils and the training and experience of the teachers as factors in determining the amount of the guarantee. This plan was an incentive for elementary schools to improve their standards.

The state guarantee was computed by multiplying the number of enrollment units by \$2,800 and the number of teacher units by \$2,000. An enrollment unit consisted of a classroom of from 12 to 32 pupils depending on the size of the school. A teacher unit depended upon the number of college hours and experience of the teacher. There was also a transportation guarantee for students who live two and one half miles or more from school.<sup>33</sup>

After the state guarantee had been determined there were certain deductions which had to be made to find the state aid for a district. The following are the deductions which were to be subtracted from the guarantee:

- (a) A two-mill levy on the tangible valuation of the district.
- (b) County elementary school fund receipts from two-mill county levy.
- (c) State annual school fund.
- (d) Intangible tax receipts.<sup>34</sup>

The design of this plan marked the second and longer step toward a foundation finance plan.

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<sup>33</sup>Throckmorton, op. cit., p. 9.

<sup>34</sup>Ibid., p. 10.

The high school system of Kansas developed slowly and separately from the elementary schools. As communities organized elementary districts, in the early days of statehood, colleges were founded and opened. The lack of high schools constituted a gap in the Kansas educational structure between the elementary schools and the colleges. Frey found that as late as 1872 there were only four high schools on the approved list of the state university.<sup>35</sup>

To alleviate the difficulty of establishing a high school, the 1905 legislature passed the Barnes Law. This act provided for a levy on the entire county, except cities having a population greater than 15,000, of not less than one-fourth of a mill nor more than four and one-half mills to support a high school. The exact amount of the levy was determined by multiplying the number of high school teachers by \$1,200. The formula for distributing this money to the schools of the county is as follows: "First, each high school received \$1,200. Then, the remainder of the fund was distributed to the schools according to the total days attendance of pupils in the high schools of the county."<sup>36</sup> The next forty years saw the development of many types of organization and financial support for high schools in Kansas. The various types of district organizations maintaining high schools were city, village, consolidated, community high schools, and rural high schools all with varying methods of support. This situation resulted in tremendous variations in tax rates and quality of educational opportunities.

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<sup>35</sup>Frey, op. cit., p. 224.

<sup>36</sup>Throckmorton, op. cit., pp. 7-8.



With the passage of the Rural High School Law of 1915 a large number of small high schools were formed throughout the state. Under this act a rural high school could be formed representing only 16 square miles of territory. The organization of so many small schools caused the state legislature to require that after 1925 no rural high school could be organized thereafter whose assessed valuation was less than \$2,000,000. But as late as 1942, there were 172 rural high schools in Kansas with valuations below \$2,000,000 which indicates the number of districts organized before 1925.<sup>37</sup>

The Barnes Law was repealed when the general county high school fund law was enacted in 1945. Actually this new law was an extension of the Barnes Law. The new act was intended to provide a more uniform method of support and to equalize taxes levied for the support of high schools and to aid the high schools financially. The measure provided for a county-wide levy, not to exceed eight mills, to be distributed to high schools of the county according to the average daily attendance of the preceding school year.<sup>38</sup>

As the high schools of Kansas continued to develop a considerable amount of rural territory was not included within the boundaries of any high school district. Although this territory carried the general county high school levy, it escaped the levy of any organized district maintaining a high school. This situation resulted in the 1951 legislature enacting a measure known as the Special High School Equalization Act. This measure placed a 1.5 mill tax levy on all territory not located in a district maintaining a high school.

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<sup>37</sup>The School of Tomorrow For Kansas (A Progress Report of The Educational Planning Commission. Topeka, Kans.: Kansas State Teachers Association, May, 1964), p. 5.

<sup>38</sup>Throckmorton, op. cit., p. 8.

Eventually the levy was raised to 6.5 mills or \$150 per pupil, whichever was smaller. The proceeds of this equalization levy were to be distributed to the high schools in the county on the basis of average daily attendance.

It is not known if this equalization levy caused this territory to pay its share of the costs of high schools, but there was a tendency for some non-high territory to seek inclusion in a district with a secondary school. However the tendency was to join the district with the lowest tax levy rates rather than where it logically belonged.

Until 1955, the high schools of Kansas received no state funds other than small amounts of funds for vocational education. There were proposals for state aid to high schools as early as 1935, but no agreement could be reached on a formula. In the early 1950's bills were considered which would have provided high school aid, but failed due to opposition on the grounds that the small uneconomic schools would benefit unfairly by receiving too much state aid.

The 1955 legislature authorized state aid for high schools by passing an equalization act.<sup>39</sup> Under this law \$6,500,000 was to be distributed by a formula based on enrollment and adjusted valuation of the school district. The guarantee to each district was restricted to 110 percent of the current operating expense per pupil for the preceding school year. Aid could not be less than \$200 per pupil. Later the law was amended to exclude high schools with less than 35 pupils in average daily attendance unless declared "isolated" by the State Board of Education.

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<sup>39</sup>Ibid., p. 11.



Because of rapid increase in school expenditures and a continued increase in local property taxes the 1959 legislature enacted the State Emergency School Finance Law.<sup>40</sup> This act distributed \$6.00 per pupil enrolled in grades 1 to 12 to all the school districts in the state. The law was reenacted two years later and the per pupil distribution was increased until by 1964 each district received \$30 per pupil.

The development of financial support for education in Kansas appears, at least to this writer, to have been an adoption of the educational statutes of other states. This adopted legislation was amended or changed by succeeding legislatures as each thought necessary to meet the immediate problem. These "stop-gap" measures continued for the first century of Kansas history.

In addition to the financial measures previously outlined in this project there are three other sources of financial support for Kansas schools that must be considered because of the amount of money distributed by the state to the qualifying districts.

The first of these was the Special Education fund. This measure distributed state money from the sales tax fund to qualifying elementary school districts for the establishment of classes for mentally retarded, homebound, and hospitalized children. This act, of 1949, provided \$2,500 for each class and \$3,000 for a full time teacher for homebound children.<sup>41</sup> There are additional reimbursements for special equipment, educational aids, personal instruction, and travel expenses for teachers. During the school year 1965-1966,

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<sup>40</sup>The School of Tomorrow For Kansas (A Progress Report of the Educational Planning Commission. Topeka: Kansas State Teachers Association, May, 1964), p. 9.

<sup>41</sup>Throckmorton, op. cit., p. 10.



the special education money distributed to the various school districts amounted to \$1,698,105.<sup>42</sup>

The second source of financial support is the state driver training fund. The 1959 legislature increased the drivers license fee and credited a portion to a state safety fund. The monies from this fund is to be distributed to schools conducting an approved course in driver training. The reimbursement to the districts is made according to the number of pupils completing the course in driver education within one year. For the school year 1965-1966, this fund provided \$689,563 to the qualified districts.<sup>43</sup>

The final special source is the money provided for free textbooks. According to Throckmorton, plans for a system of free textbooks have been a controversial issue in Kansas.<sup>44</sup> In 1955 all Kansas schools were authorized to levy one mill for two years to defray initial costs of textbooks for use in a rental system. School districts were slow to exercise this option and relatively few rental systems were established.

A free textbook or rental system was eventually made possible by the state legislature in 1961. The state authorized the distribution of \$5.00 per pupil enrolled on September 15, of the year the district established a complete rental system.<sup>45</sup> This textbook rental law expired in 1965.

By the mid-point of the twentieth century Kansans began to understand that piecemeal building of state aid to education was blocking the way for

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<sup>42</sup>Research Bulletin, (Sources of Social Revenue For Operational Purposes, 1963-1964 to 1965-1966, No. 7. Topeka: Kansas Association of School Boards, January, 1967), p. 2.

<sup>43</sup>Ibid.

<sup>44</sup>Throckmorton, op. cit., p. 13.

<sup>45</sup>Ibid.

quality education. Forward looking legislators believed the state must contribute more positively toward a quality educational system, and in 1957 appropriated funds for a comprehensive survey of elementary, secondary education in Kansas.

The report of this survey pointed out that the largest factor blocking quality education in Kansas was its faulty district organization.<sup>46</sup> A summary of the survey's recommendations for financial support of Kansas schools are as follows:

- (a) Increase state support for schools, moving from the present 22.6 per cent from state sources to 40 per cent of total expenditures, including expenditures for buildings.
- (b) Establish a "foundation program" of state support.
- (c) Until the foundation program can be put into effect, continue the present plan of distributing state funds, with additional funds distributed as a percentage of aids under the existing programs.
- (d) Upon adoption of a foundation program eliminate the county elementary, high school and non-high levies.
- (e) Pending improvement in assessments, use assessment ratios in computing state aids.<sup>47</sup>

When the survey's report was made public it drew much comment and criticism from various groups around the state. Most of the criticism came from rural areas where people were afraid of losing their schools, or having to attend school in some other community. A weak school unification law was enacted in 1961 and was declared unconstitutional. Another school unification law was passed in 1963. This law provided for district reorganization by county planning boards, with approval of plans by the State Superintendent, followed by elections. After a court test case of this law in 1964

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<sup>46</sup>The School of Tomorrow For Kansas (A Progress Report of The Educational Planning Commission. Topeka: Kansas State Teachers Association, May, 1964), p. 4.

<sup>47</sup>Ibid., p. A-1.



unification was underway in Kansas.

The all time high for the greatest number of operating school districts in Kansas came in 1896 when there were 9,284 districts; this number slowly decreased but as late as 1943 Kansas had 8,575 local school administrative units.<sup>48</sup> Due to the forces of consolidation and especially the unification laws this number had been reduced to 348 by September 15, 1966.<sup>49</sup>

With the reduction in the number of operating school districts it now was possible to establish a comprehensive foundation finance program for elementary and secondary schools. The state legislature responded with the passage of a foundation program which took effect on May 1, 1965.<sup>50</sup> The general state aid formula under the 1965 School Foundation Act provided that state aid for each school district would equal the state shared guarantee minus deductions of non district revenues and deductions for local effort. The state shared guarantee was established for each school district by multiplying the number of certificated employees by the average training and experience of the employees. This in turn was multiplied by \$750, and then the resulting amount was multiplied by the pupil-teacher ratio factor.

The number of certificated employees which may be counted includes superintendent, principals, teachers, counselors, nurses, and part-time certificated employees would be counted on a proportional basis. Certificated personnel employed with federal funds arising from Public Law 89--10,

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<sup>48</sup>Ibid., p. 2.

<sup>49</sup>Kansas School Facts 1966-67. (Compiled by Neal Arnold. Kansas Association of School Boards. Topeka: Kansas, 1967), p. 21.

<sup>50</sup>Session Laws, 1965. (Topeka, Kans.: State Printer, June 30, 1965), p. 887.



and Title I are not counted in computing a district's state aid.<sup>51</sup>

The training and experience of the district's certificated employees are most important in determining the state guarantee under the foundation program. First, the total number of semester hours of college training of the employees, not to exceed 210 hours for any one employee, is divided by 30; second, the total number of years of teaching and administration, not to exceed 15 years, is multiplied by .2.<sup>52</sup> The sum of the first and second steps, divided by the number of employees, is known as the "Criteria of Quality."

The purpose of the pupil-teacher ratio factor is to penalize districts which have a PTR (pupil-teacher ratio) lower than the standard established in the law. A PTR factor of 1.0, means no penalty or reduction in the guarantee. The PTR of a district is determined by dividing the number of pupils enrolled in the district on September 15, of the current year by the number of certificated employees employed by the district on that date. There is no penalty if the district has: Less than 1,000 pupils and a PTR of 15 or more; 1,000-1,999 pupils and a PTR of 16 or more; 2,000-2,999 pupils and a PTR of 17 or more; 3,000-3,999 pupils and a PTR of 18 or more; 4,000-9,999 pupils and a PTR of 19 or more; 10,000 or more pupils and a PTR of 20 or more.<sup>53</sup> For a district with a PTR below the standard of 1.0, the PTR factor is the district's PTR divided by the minimum PTR applicable to that district.<sup>54</sup>

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<sup>51</sup>Ibid., p. 878.

<sup>52</sup>Ibid., p. 881.

<sup>53</sup>Ibid., p. 880.

<sup>54</sup>Ibid.

The deductions from the state shared guarantee are: (A) 100% of the district's receipts from the state annual school fund, county school fund, the intangible tax, and the district's share of "county ability"; (B) 50% of state and federal vocational education aid, except no deduction for area vocational technical school aid; (C) 25% of Public Law 874 receipts.<sup>55</sup>

The "county ability" deduction is based on a county economic index to measure local ability to support education. The index is based on each county's percentage of the state total: (1) adjusted valuation of tangible property and (2) taxable income as reported on state individual income tax returns.<sup>56</sup> Valuation and income are given equal weight in the computation of the index.

Each county's "ability" is determined by multiplying its economic index times the amount resulting from a 10 mill levy on the state total adjusted valuation of tangible property. The resulting county ability figure is then divided by the total number of certificated employees in the county to arrive at the "county ability per teacher." If this calculation results in a figure larger than \$2,000 the ability per teacher is 80% of that figure or \$2,000 whichever is greater.<sup>57</sup> This exception was added in order to mitigate the effect of the very high ability per teacher amounts in a number of counties; and as a recognition that the economic index is not a perfect measure of county ability. The county ability per teacher figure is multiplied by the number of certificated employees in each district to determine the district's

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<sup>55</sup>Ibid.

<sup>56</sup>Ibid., p. 382.

<sup>57</sup>Ibid.



portion of county ability.<sup>58</sup> It is this amount that is deducted from the state shared guarantee and it is the largest single deduction.

Along with this foundation program the 1965 Legislature enacted a budget control.<sup>59</sup> This control prohibits a district to budget or expend for operating expenses more than 104% a pupil the amount legally budgeted per pupil for the preceding school year. Appeals to exceed the 104% limitation may be made to the State Budget Review Board, or by referendum of the voters of the district. The Review Board may authorize budget increases for certain unforeseen costs. At the time of this writing (1967), the budget control is under heavy criticism from school men in the state. Critics of the control feel the 104 per cent limit is not enough to keep up with rising costs, and leaves no leeway to expand a school's educational program.

Two more significant sections of the Foundation program are the County School Foundation Fund and the Transportation Allowance. The County School Foundation Fund replaces the county elementary school fund levy and the general county high school fund levy. This new fund provides for the proceeds from a county levy, equivalent to 10 mills on adjusted valuation for the preceding year, to be distributed to the districts of the county on the basis of the number of certificated employees.<sup>60</sup> This levy is not involved in the determination of state aid and is not deducted from the state-shared guarantee.

The transportation allowance provides funds in addition to state aid.

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<sup>58</sup>Ibid.

<sup>59</sup>Ibid., pp. 885-6.

<sup>60</sup>Ibid., pp. 885-6.



This aid is distributed on the basis of elementary and high school pupils actually transported who live 2.5 miles or more from school and who live within the district but outside the city limits. The allowance is 70 per cent of a cost density factor or 70 per cent actual cost, whichever is lower. Minimum aid per pupil will not be less than \$32.<sup>61</sup>

A comparison of the factors which determine the Kansas foundation program with factors of other state foundation programs discloses some similarities and some differences. The factors used by the various states to determine state aid are many and reflect the purposes of the state's program. Albert R. Munse found the three factors most often employed in programs by which state money is distributed for general purpose use are: (1) school or district size, 29 states; (2) pupil grade level, 26 states; and (3) teacher training or experience, 19 states.<sup>62</sup>

School district size is an important condition in the Kansas foundation plan when the pupil-teacher ratio is computed. In the Kansas plan the smaller districts are allowed a lower pupil-teacher ratio without a penalty resulting in reduction of the state guarantee.

Pupil grade level as a weighting factor was found in the program of 26 states but is not considered in the Kansas program, except in computing the number of students, kindergarten students are counted as one-half time students.

Teacher training and experience which is a factor found in 19 state programs is the most important factor found in the Kansas plan. This factor,

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<sup>61</sup>Ibid., pp. 881-2.

<sup>62</sup>Albert R. Munse, "Weighting Factors in State Foundation Programs," Trends in Financing Public Education. Committee on Educational Finance (Washington, D.C.: National Education Association, 1965), p. 52.

known as the "Criteria of Quality," can cause a great difference in the state guarantee to a district. Among the 19 states using a weighting factor based on teacher training or experience, 14 used both training and experience, 3 used training only, and 2 used teaching experience only.<sup>63</sup> In the Kansas plan both training and experience are weighting factors.

Allowances for pupil transportation are found in state foundation programs of 21 states.<sup>64</sup> The foundation program of Kansas also provides this special program. Other special programs found in foundation plans across the United States are allowances for administration and supervision in 16 states, for special education in 14 states, for vocational education in 12 states, and for capital outlay or debt service in 4 states.<sup>65</sup> These last four factors are not included in the Kansas foundation program.

There are many other specific items included in foundation programs but not with any great frequency. Albert Munse identifies these items as:

...salaries of employed personnel other than the instructional staff, extended term of employment, contributions to retirement systems, school libraries, health services, instructional supplies, and clerical assistance.<sup>66</sup>

Probably the most unique aspect of the Kansas foundation plan is the method in which local ability to support education is determined. This writer was unable to find any other state plan in which the same factors were used.

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<sup>63</sup>Ibid., p. 59.

<sup>64</sup>Ibid., p. 62.

<sup>65</sup>Ibid.

<sup>66</sup>Ibid.



## REPORT OF THE FINDINGS

## I. THE STUDY.

For the purpose of this report the unified districts of Kansas were divided in six groups corresponding with a geographical region. The boundary lines of the regions follow along county lines. The number of counties and unified school districts in each region are depicted in Figure 1.

The small Northeast and South-Central regions were necessary because of the heavy concentration of population in these two areas. This posed a problem when attempting to keep the total assessed valuation of the unified districts in each region as nearly alike as possible. The result was two large regions, Northwest and Southwest, and two small regions, Northeast and South-Central. The other two regions, North-Central and Southeast, would appear to be much the same in area.

The number of counties and number of unified districts represented in each region are similar except for the South-Central. This region has five counties and thirty-five unified school districts. With only 4.8 per cent of the counties and 11.4 per cent of the unified districts, the South-Central region has the largest assessed valuation.

Assessed valuation. A comparison of the assessed valuation of each region, Table I, reveals the South-Central having the highest, \$951,331,771, but ranking only fifth in valuation per pupil. The Southwest has the highest valuation per pupil, \$15,896, and ranks fifth in enrollment. The region with the largest enrollment, Northeast at 119,726 pupils, has the lowest valuation per pupil \$6,731. For all unified districts the total assessed valuation was \$4,701,477,528 and the assessed valuation per pupil was \$10,439.

The individual unified districts ranged from a low valuation per pupil





TABLE I  
REGIONAL COMPARISON OF VALUATION AND PUPIL POPULATION  
OF THE UNIFIED SCHOOLS OF KANSAS, 1966-1967.\*

Region	Assessed Valuation	Enrollment K at $\frac{1}{2}$ through 12	Valuation Per Pupil
Northwest	\$658,804,407	41,989.0	\$15,690
North Central	808,544,078	60,443.0	13,377
Northeast	805,880,344	119,726.0	6,731
Southwest	844,095,518	53,100.0	15,896
South Central	951,331,771	112,900.5	8,426
Southeast	632,821,410	62,211.0	10,172
All Unif. Dist.	\$4,701,477,528	450,369.5	\$10,439

\* The figures for this table were compiled from the I.B.M. listing of data used to calculate each school districts entitlement of State Aid for 1966-67 school year. Statistical Services Section, Kansas Department of Public Instruction, Topeka, Kansas.

of \$191 in U.S.D. 207, Ft. Leavenworth, in Leavenworth county, to a high per pupil valuation of \$54,134 in U.S.D. 424, Mullinville, in Kiowa county.<sup>67</sup>

District valuation or per pupil valuation is not a direct factor in the determination of state aid in the Kansas Foundation Plan, but the assessed valuation of a district is important because after federal, state and county funds are accounted for, a district must turn to the property tax to finance the remainder of its budget.

<sup>67</sup>Information from the I.B.M. listing of data used to calculate each school district's entitlement of State Aid for 1966-1967 school year. Kansas State Department of Public Instruction, Topeka, Kansas.



Criteria of Quality. The formula, in the Kansas Foundation Plan, to determine a district's state-shared guarantee is based on the district's number of certificated employees and on their college training and experience. The sum of the average college hours and years experience is the district's "Criteria of Quality" (CQ). Not over 210 hours of training and 15 years experience can be counted for any one employee in determining a district's C.Q. Each year of experience is counted as equal to six semester hours of training.

The amount of a district's state-shared guarantee is calculated by multiplying \$750 by the district's C.Q., this figure in turn is multiplied by the number of employees. Another way of looking at it would be, per teacher, each hour of credit is worth \$25 and each year of experience is worth \$150.

A regional comparison by C.Q. is given in Table II. The region with the highest C.Q. is the South-Central with a C.Q. of 7.02. A closer look at this table reveals that the South-Central and Northeast regions are nearly equal in number of employees, but a difference in C.Q. of .53 or \$360 per employee. The Northeast has a high training factor averaging, 152.5 hours per employee, and a low experience factor averaging only 7.8 years for a total C.Q. of 6.64 which is the low for all regions. The South-Central averaged 157.2 college hours and 8.9 years experience per employee. The employees of all unified districts averaged 151.8 college hours of training and 8.6 years experience.

A comparison of the C.Q. of North-Central Kansas with that of the Southeast finds the high experience factor of the Southeast accounting for a higher C.Q. The North-Central region has an average of 151.9 college hours and 8.9 years experience per employee. The Southeast region averaged 148.9



TABLE II  
REGIONAL CRITERIA OF QUALITY FOR THE UNIFIED SCHOOL  
DISTRICTS OF KANSAS, 1966-1967.\*

Region	Number of Employees	College Hours		Years Experience		Criteria of Quality
		Total	Average	Total	Average	
Northwest	2,687.10	399,984	148.9	23,142.2	8.6	6.68
North Central	3,636.30	552,489	151.9	32,349.4	8.9	6.66
Northeast	5,981.50	911,897	152.5	46,498.4	7.8	6.64
Southwest	3,309.42	499,336	150.9	28,511.6	8.6	6.75
South Central	5,710.50	897,901	157.2	50,888.6	8.9	7.02
Southeast	3,497.50	520,686	148.9	33,200.0	9.5	6.86
All Unif. Dist.	24,922.32	3,782,293	151.8	214,590.2	8.6	6.78

\* The figures for this Table were compiled from the I.B.M. listing of data used to calculate each school district's entitlement of state aid for 1966-67 school year. Statistical Services Section, Kansas Department of Public Instruction, Topeka, Kansas.

college hours and 9.5 years experience per employee. The regional C.Q. for the North Central and Southeast regions is 6.6 and 6.86, respectively.

The C.Q. of Southwest region, is 6.75 and for the Northwest region 6.68. In this comparison both regions have identical experience factors, averaging 8.6 years per employee. The difference in C.Q. was caused by the training factor which is 150.9 hours per employee in the Southwest and 142.9 in the Northwest.

The six regions had a range in C.Q. from a low of 6.64 in the Northeast to a high of 7.02 in the Southeast. The C.Q. for all unified districts was 6.78.

The pupil-teacher ratio factor. In the Kansas formula, after the district's C.Q. has been established and multiplied by the number of employees and by \$750, the resulting amount is multiplied by the districts pupil-teacher ratio factor. The pupil-teacher ratio factor of a district is the district's pupil-teacher ratio (PTR) divided by the minimum PTR applicable to that district. The minimum PTR is based on the district's enrollment. The purpose of that factor is to penalize districts which have a PTR lower than the standard established by law.

A low PTR accounted for a loss in the state-shared guarantee of nearly half of the unified school districts. Table III indicates the number of districts in each region with a low PTR and the amount of loss from the state shared guarantee. The state-shared guarantee to the unified districts was reduced by \$3,477,705.

The PTR for all regions ranged from a low of 15.63 in the Northwest to a high of 20.02 in the Northeast. The PTR for all unified school districts was 18.03. The region with the greatest percent of districts having a low

PTR was the Southwest, 63.5 percent. The South-Central reported the low for percent of districts having a below standard PTR, 22.9 percent.

TABLE III  
REGIONAL COMPARISON OF THE PUPIL-TEACHER RATIO FACTOR  
IN THE UNIFIED SCHOOL DISTRICTS OF KANSAS,  
1966-1967.\*

Region	Pupil-Teacher Ratio	No. Districts with Low PTRF	Percent of Dists. with Low PTRF	Amount of Loss
Northwest	15.63	36	63.2	\$786,107
North-Central	16.18	34	63.0	906,455
Northeast	20.02	13	25.5	167,815
Southwest	16.04	33	63.5	1,087,946
South-Central	19.78	8	22.9	92,250
Southeast	17.79	18	31.0	437,132
All Unif. Dist.	18.08	142	46.3	\$3,477,705

\*The figures for this table were compiled from the I.B.M. listing of data used to calculate each school districts entitlement of State Aid for 1966-67 school year. Statistical Services Section, Kansas Department of Public Instruction, Topeka, Kansas.

A review of the I.B.M. data for each school district, indicated most of the loss was due to an adverse PTR prevalent in the small unified districts. These small unified districts tend to be located in the regions representing the sparsely populated areas of Kansas. These same regions suffered the greatest loss in revenue. The heavy populated regions of South-Central Kansas lost only .3 percent of the guarantee by a low PTR factor. The more sparsely settled Southwest region lost 6.4 percent of the state-shared



guarantee because of a low PTR.

A comparison of the Southeast and North-Central regions, which have a similar number of districts and enrollment, found the North-Central lost 4.9 percent of the guarantee by a low PTR factor and the Southeast lost only 2.4 percent of the state shared guarantee. This comparison would lead one to wonder if a low PTR is simply the result of population sparsity or uneconomical use of certificated personnel.

The county ability deduction. After a district's state-shared guarantee has been determined there are certain deductions which are made to determine the district's state aid entitlement. The major deduction from the guarantee is the county ability fund. The Kansas formula uses a county economic index to measure local ability. This index is based on each county's percentage of state total adjusted valuation of tangible property, and taxable income as reported on state individual income tax returns. Valuation and income data for the two preceding years are averaged and given equal weight in the computation of the index. Property valuations are adjusted on the basis of the state annual assessment ratio study.

The ability for each county is determined by multiplying its economic index times an amount equivalent to a 10-mill levy on the state total adjusted valuation of tangible property. To find the county ability per teacher, the "county ability" is then divided by the total number of certificated employees in the county. If this calculation results in a figure larger than \$2,000, the ability per teacher is 80 percent of that figure or \$2,000, whichever is greater.

The total economic index of the counties located in their respective regions is indicated in Table IV. The lowest economic index was 11.623, in

the Northwest region and the highest was 29.286 in the Northeast. The county ability per teacher in all unified districts averaged \$1,699. The total county ability deduction from the state-shared guarantee was \$42,345,248.

TABLE IV  
REGIONAL ECONOMIC INDEX AND THE COUNTY ABILITY DEDUCTION  
FOR THE UNIFIED DISTRICTS OF KANSAS,  
1966-1967.\*

Region	Economic Index	Ability Per Teacher	County Ability Funds
Northwest	11.623	\$1,890	\$ 5,079,774
North Central	12.825	1,633	6,101,224
Northeast	29.286	1,684	10,070,102
Southwest	14.756	1,842	6,094,001
South Central	19.765	1,664	9,503,344
Southeast	11.743	1,572	5,496,803
All Unif. Dists.	100.00	\$1,699	\$42,345,248

\* The figures for this table were compiled from the I.B.M. listing of data used to calculate each school districts entitlement of State Aid for 1966-67 school year. Statistical Services Section, Kansas Department of Public Instruction, Topeka, Kansas.

For purposes of the Foundation program, the Northeast region has more than two and one-half times the ability of the Northwest region. In dollars the total deduction in the Northeast was \$10,070,102, compared to the Northwest deduction of \$5,079,774. However, because the Northeast has more teachers than the Northwest the ability per teacher in the Northeast is \$1,684 in contrast to \$1,890 in the Northwest.

TABLE V  
REGIONAL DISTRIBUTION OF STATE AID ENTITLEMENT TO THE UNIFIED SCHOOL  
DISTRICTS OF KANSAS, 1966-1967.\*

Region	State Shared Guarantee	Total Deductions	State Aid Entitlement	Prorated State Aid
Northwest	\$12,684,856	\$ 5,433,203	\$ 7,251,653	\$ 7,282,355
North Central	17,785,215	7,061,683	10,723,532	10,769,984
Northeast	29,679,389	11,553,081	18,126,308	18,203,191
Southwest	15,672,233	6,820,078	8,852,155	8,889,704
South Central	30,143,961	10,697,786	19,446,175	19,528,668
Southeast	17,559,670	6,072,917	11,486,753	11,543,590
Total	\$123,525,324	\$47,638,748	\$75,886,576	\$76,217,492

\* The figures for this Table were compiled from the I.B.M. listing of data used to calculate each school district's entitlement of state aid for 1966-67 school year. Statistical Services Section, Kansas Department of Public Instruction, Topeka, Kansas.



A comparison of Table IV and Table V, indicates that the major deduction in computing state aid is the county ability fund. Table IV, lists the county ability deduction by region and Table V lists the total deduction from the state-shared guarantee of which county ability is a part.

The state-shared guarantee, total deductions, state aid entitlement, and prorated state aid that was distributed to the unified school districts are listed in Table V. The entitlement of state aid under the Foundation Plan to all unified districts totaled \$75,886,576. A proration of approximately .4 percent was made in excess of the entitlement. By region, total proration ranged from a high of \$19,528,668 in the South-Central, down to \$7,282,355, in the Northwest region. Total proration amounted to \$76,217,492 for the school year, 1966-1967.

Transportation allowance. The transportation allowance, which is made in addition to general state aid, amounted to \$4,385,501 for the unified districts. Total transportation allowance is limited by law, to \$4,500,000; but in Table VI, the unified districts alone were entitled to \$5,040,298. The result was a proration of funds which amounted to approximately 87 percent of entitlement.

Only six of the unified districts did not qualify for the transportation aid. Five of these districts are in the Northeast region, the other one in the Southwest region. As might be expected, Table VI reveals the sparsely settled Northwest region receiving the largest amount, \$853,806, and the densely populated South-Central the least \$517,641.

Comparison of Revenue source. One major objective of the comprehensive state finance plan, according to the State Superintendent of Public Instruction, Mr. Throckmorton, is to "...aid districts with limited local financial

TABLE VI  
REGIONAL DISTRIBUTION OF TRANSPORTATION ALLOWANCE  
TO THE UNIFIED SCHOOL DISTRICTS OF KANSAS,  
1966-1967.\*

Region	Entitlement	Prorated
Northwest	\$ 981,290	\$ 853,806
North Central	975,764	849,000
Northeast	781,172	679,690
Southwest	847,744	737,613
South Central	594,928	517,641
Southeast	859,400	747,751
Total	\$5,040,298	\$4,385,501

\* The figures for this table were compiled from the I.B.M. listing of data used to calculate each school districts entitlement of State Aid for 1966-67 school year. Statistical Services Section, Kansas Department of Public Instruction, Topeka, Kansas.

resources, to provide quality education with the same local effort that districts with relatively larger financial resources are able to provide."<sup>68</sup> With this statement in mind Table VII, was prepared which is a comparison of estimated revenue sources of the six geographical regions of Kansas. At the time of this writing, June 1967, actual figures were not available for comparison. The information found in Table VII, are budget estimates of the unified school districts for the school year, 1966-1967.

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<sup>68</sup>Adel F. Throckmorton, A Quest for Quality. (State Department of Public Instruction. Topeka, Kansas: State Printing Office, 1963), p. 8.



TABLE VII  
REGIONAL COMPARISON OF REVENUE SOURCES OF THE  
UNIFIED SCHOOL DISTRICTS OF KANSAS,  
FOR 1966-1967.\*

Region	Source	Amount	Percent
Northwest	Local	\$ 7,305,762.69	34.56
	County	6,245,963.49	29.55
	State	7,572,267.01	35.83
	Federal	12,776.67	.06
	Total	21,136,769.86	100.00
North Central	Local	10,352,856.55	35.47
	County	6,570,690.68	22.51
	State	10,802,026.75	37.01
	Federal	1,462,358.41	5.01
	Total	29,187,932.39	100.00
Northeast	Local	18,146,113.86	40.96
	County	6,813,487.39	15.38
	State	16,702,295.83	37.70
	Federal	2,637,214.76	5.95
	Total	44,299,111.84	100.00
Southwest	Local	10,444,445.27	37.47
	County	8,145,202.58	29.22
	State	9,214,470.58	33.06
	Federal	68,650.43	.25
	Total	27,872,768.86	100.00
South Central	Local	20,052,675.65	41.38
	County	7,537,169.84	15.56
	State	17,876,673.99	36.91
	Federal	2,982,188.83	6.15
	Total	48,448,708.31	100.00
Southeast	Local	9,527,479.27	35.26
	County	5,834,186.90	21.58
	State	11,560,676.11	42.78
	Federal	101,914.96	.38
	Total	27,024,257.24	100.00
All Unified Dists.	Local	75,829,333.29	38.31
	County	41,146,700.88	20.78
	State	73,728,410.27	37.24
	Federal	7,265,104.06	3.67
	Total	197,969,548.50	100.00

\* Data for this table compiled from the individual district's General Fund Budget filed with the State Superintendent of Public Instruction, Topeka, Kansas.



The region with the highest level of state support is the Southeast with 42.78 percent of its revenue from state sources. The region with the lowest percent of state support is the Southwest with only 33.06 percent of its funds coming from this source. The most densely populated regions, Northeast and South-Central, estimated 37.70 percent and 36.91 percent, respectively, of their revenue to derive from the state. The state support level for all unified districts was 37.24 percent.

The two regions with the lowest valuation per pupil, Northeast and South-Central, depend the most on local sources for revenue. The Northeast expected 40.96 percent and the South-Central 41.38 percent of all revenue to come from local moneys. The region which depended least on local support was the Northwest, with only 34.56 percent of the total revenue from the local level. All unified districts averaged 38.31 percent of their revenue from local taxes.

The region with the most support from county funds is the Northwest with 29.55 percent from this source. The Southwest was a close second with 29.22 percent from the county. A large variation in county support is evident with the Northeast receiving only 15.38 percent of its revenue from the county. The average for all unified districts was 20.78 percent.

The percentage of support from federal revenue ranged from a high of 6.15 in the South-Central to a low of .06 percent in the Northwest region. For all unified districts federal support accounted for 3.67 percent of total revenue. This percentage would seem lower than expected. This low percentage is due to the failure of the budgets to reflect all revenue expected from federal sources.

## II. FINDINGS

The Foundation Finance Plan of 1964 is the first comprehensive plan of state support for the public schools in Kansas. Many of the features of the Kansas plan are also found in the financial program of other states. The emphasis placed on teacher qualifications and the use of the county economic index to determine local ability, are two of the most unique features for Kansas.

Table VIII, summarizes the rankings of the six geographical regions. The regions were ranked by state support level, assessed valuation, valuation per pupil, "Criteria of Quality", amount of loss due to low pupil-teacher ratio factor, and total economic ability.

TABLE VIII  
RANKINGS OF THE SIX GEOGRAPHICAL REGIONS BY STATE  
SUPPORT LEVEL, ASSESSED VALUATION, VALUATION  
PER PUPIL, CRITERIA OF QUALITY, PUPIL  
TEACHER RATIO, AND ECONOMIC ABILITY

Region	State Support Level	Assessed Valuation	Valuation Per Pupil	Criteria of Quality	Loss Due to PTRF	Total Economic Ability
Northwest	5	5	2	4	3	6
North-Central	3	3	3	5	2	4
Northeast	2	4	6	6	5	1
Southwest	6	2	1	3	1	3
South-Central	4	1	5	1	6	2
Southeast	1	6	4	2	4	5

The study found a difference in the level of state support in the



various regions of Kansas. The six regions ranked as follows: 1st - Southeast; 2nd - Northeast; 3rd - North-Central; 4th - South-Central; 5th - Northwest; and 6th - Southwest.

Ranking of the six regions by assessed valuation are as follows: 1st - South-Central; 2nd - Southwest; 3rd - North-Central; 4th - Northeast; 5th - Northwest; and 6th - Southeast.

The standing of each region by valuation per pupil was: 1st - Southwest; 2nd - Northeast; 3rd - North-Central; 4th - Southeast; 5th - South-Central; and 6th - Northeast.

There was a difference in the "Criteria of Quality" in various regions of Kansas. The six regions ranked as follows: 1st - South-Central; 2nd - Southeast; 3rd - Southwest; 4th - Northwest; 5th - North-Central; and 6th - Northeast.

The amount of reduction in the state-shared guarantee, due to a low pupil-teacher ratio, differed between the regions. The six regions ranked by amount of loss due to the pupil-teacher ratio factor are as follows: 1st - Southwest; 2nd - North-Central; 3rd - Northwest; 4th - Southeast; 5th - Northeast; and 6th - South-Central.

The regions ranked by economic ability are as follows: 1st - Northeast; 2nd - South-Central; 3rd - Southwest; 4th - North-Central; 5th - Southeast; and 6th - Northwest.

### III. IMPLICATIONS

In the future it may be expected that districts will attempt to increase their "Criteria of Quality" by employing a better qualified and more experienced staff. The rise in "Criteria of Quality", will, in turn, increase the



state-shared guarantee. Of course, the state guarantee must remain attractive or the incentive to improve the quality of instruction will be lost.

A decrease in the number of districts with a low pupil-teacher ratio can be expected. As future consolidation of attendance centers within the unified districts takes place a better utilization of personnel will result. As the number of small uneconomical attendance centers decreases, the pupil-teacher ratio will become more favorable.

A study should be made of the organizational situation and staffing pattern of districts reporting a low pupil-teacher ratio. Since the study found most losses from low pupil-teacher ratios occurring in sparsely settled regions, it is easy to conclude that small attendance centers cause a low pupil-teacher ratio for the district. It may be that some districts reporting a low pupil-teacher ratio are well organized and offer a balanced educational program. Nevertheless, both types of districts are penalized the same.

Another question which this writer feels should be investigated is the importance of a district's assessed valuation in the calculation of state aid. Although assessed valuation is not a direct factor in the Kansas formula to determine state aid, local property tax is still a significant factor in financing public schools in Kansas.

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A REGIONAL COMPARISON OF THE UNIFIED SCHOOL DISTRICTS  
OF KANSAS BY THE CRITERIA OF THE FOUNDATION  
FINANCE PLAN FOR 1966-1967

by

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B. A., Kansas Wesleyan University, 1956

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AN ABSTRACT OF A MASTER'S REPORT

submitted in partial fulfillment of the

requirements for the degree

MASTER OF SCIENCE

College of Education

KANSAS STATE UNIVERSITY

Manhattan, Kansas

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It was the purpose of this status study (1) to trace the history of state support of education in the United States in general and Kansas in particular; (2) to compare the Kansas foundation finance plan with trends in other states; (3) to divide the unified districts into six geographical regions and then compare the regions by (a) sources of revenue, (b) assessed valuation and valuation per pupil, (c) "Criteria of Quality," (d) pupil-teacher ratio, and (e) economic ability.

Information for the review of literature was obtained from the Francis David Farrell Library at Kansas State University, Manhattan, Kansas, and the Library of the Kansas State Historical Society, Topeka, Kansas. The data found in the report were procured from the Statistical Services Section of the Kansas State Department of Public Instruction, Topeka, Kansas.

The development of state support for public education in the United States grew from practices in England and Europe. The precedent for taxing all citizens of a district to pay for the education of all children was established in Michigan by the famous Kalamazoo Case of 1872. By the turn of the century most states had established tax-supported elementary and high schools.

During the depression years of the 1930's new types of taxation for schools and responsibility for equalizing school burdens resulted in a new concept of state and local sharing of school expenditures. Out of the equalization plans came the foundation program. Today the pattern is well established. That is, support for public schools is an accepted responsibility of the state.

The first schools in Kansas were financed by subscriptions. After

Kansas achieved statehood the public schools received money from the State Permanent School Fund and a state-wide tax of one mill. The one mill tax was annulled in 1879. Until 1937 nearly all financial support for Kansas schools came from local district taxes.

The first step Kansas made in the direction of a foundation type of aid program came with the passage of the 1937 Elementary Aid Law. However, from 1937 until 1965 the Kansas legislature provided only piecemeal and stop-gap measures to support the schools of the state. The final step toward a foundation finance plan came as a result of the 1960 Comprehensive Educational Survey of Kansas. The Kansas foundation plan became effective for the 1965-66 school year.

The study found that approximately 37 percent of the revenue to support the unified districts of Kansas for 1966-67 would come from state sources. The level of state support ranged from 42 percent in the Southeast region to 33 percent in the Southwest region.

The range in "Criteria of Quality" (CQ) was from 7.02 in the South-Central to 6.64 in the Northeast region. The average CQ for all unified districts was 6.78.

The pupil-teacher ratio factor accounted for a loss in the state-shared guarantee of \$3,477,705 to the unified districts. The more sparsely settled Southwest region lost \$1,087,946 which was high for all regions, and the densely settled South-Central region suffered the least, \$92,250.

The county ability deduction is the largest deduction from the state-shared guarantee. The Northwest region had the highest ability per teacher \$1,890, and the Southeast the least \$1,572. The total county ability deduction for all unified districts was \$42,345,248, which is \$1,699 per teacher.

In the future it may be expected that districts will attempt to increase their CQ to increase their state-shared guarantee. As further consolidation of attendance centers in the unified districts takes place a more favorable pupil-teacher ratio will result in less loss from the state-shared guarantee. These two factors should provide a greater percentage of state support for the unified districts of Kansas.